## **UNITED NATIONS SPECIAL PROGRAMME FOR THE ECONOMIES OF CENTRAL ASIA (SPECA)**

SPECA/WG-Trade/2019/EN/5

## **Fourteenth session of the SPECA Working group on trade**

**(Ashgabat, Turkmenistan, 19 November 2019)**

**Study on regulatory and procedural barriers to trade**

**in THE SPECA SUBREGION**

**Concept Note**

**1. Objective** Support a regional approach to achieving the succcessful integration of the countries participating in the United Nations Special Programme for the Economies of Central Asia (SPECA) into global value chains in a manner that is consistent with the implementation of the 2030 Agenda on Sustainable Development.

**2. Duration** Up to 18 months

**3. Deliverables** Subject to agreement with national stakeholders, the work will involve:

* 1. Study on regulatory and procedural barriers to trade in the SPECA subregion: Needs assessment

The study will provide an in-depth analysis of the existing regulatory and procedural framework governing trade in goods within the SPECA region taking into consideration their commitments under existing bilateral, regional and international trade agreements, using an inhouse survey-based Evaluation Methodology that will be developed by the UNECE. The recommendations will be developed in close consultation with public and private sector stakeholders, with a view to identify action-oriented interventions and areas for joint action to address the identified needs and development priorities. The study will take into account the needs and economic realities in the individual SPECA participating countries (including the results of UNECE national needs assessments)[[1]](#footnote-1) and the challenges associated with ensuring the trickle-down effects of trade reforms in the form of export diversification, increased job opportunities and income equity. In so doing, the study will build on existing research and analysis, and bring forward the interplay between regulatory and procedural barriers and industrial development (to be understood as an economy-wide structural transformation towards increased specialization in products with high value-added); the broader implications for job creation and poverty alleviation; and, thereof, support increasing the contribution of trade to the achievement of the following Sustainable Development Goals: SDG 7 (affordable and clean energy), SDG 16 (peace, justice and strong institutions) and SDG 17 (partnerships for the goals). The recommendations will also carry indirect contributions to SDG 8 (decent work and economic growth) and SDG 9 (industry, innovation and infrastructure).

Subject to discussions with national stakeholders, the study will comprise all or any of the below components:

1. In-depth analysis of trade facilitation conditions within SPECA and their implications for intra-regional trade and integration into global value chains;
2. In-depth analysis of the system(s) of quality control within the SPECA region, including standardization, technical regulation, quality assurance and metrology, and its implication for intra-regional trade and integration into global value chains;
3. A survey of enterprises involved in export and import activities as well as those that are hesitant to engage in trade. Special emphasis will be made to reach out to small- and medium-sized enterprises;
4. A survey of barriers faced by SPECA countries’ main trade partners;
5. Sector focused analysis of regulatory and procedural barriers to trade in selected products of strategic importance; and
6. An analysis of SPECA countries’ main trade indices (e.g., revealed comparative advantage and export concentration).
	1. A time-bound action plan for sequencing the implementation of the recommendations emerging from the study. The recommendations will also be integrated into the United Nations Sustainable Development Cooperation Framework as a way for attracting donor support and the assistance of other UN agencies.
	2. Participation in regional workshops that will be undertaken to promote experience sharing and regional cooperation.

**4. Institutional framework** The below arrangements are proposed to ensure national ownership:

4.1 The activities will be implemented following a national participatory approach that involves relevant public and private stakeholders. The institutional mechanisms for ensuring the broadest possible participation will be discussed with the Governments of the SPECA countries. Previous studies were carried out within the context of public-private consultations organized by a lead Ministry responsible for trade and associated economic reforms.

4.2 To allow for continuous consultations with the national stakeholders, a focal point in each country’s relevant Ministry needs to be assigned to interface with the UNECE secretariat and act as its main counterpart.

4.3 The survey of enterprises will be conducted by national consultants or, if available, national research institutions that will be trained on the use of the UNECE evaluation methodology. The database will be housed in the said institution for further use and follow-up work.

**5. Next steps** 5.1 Identification of focal points at the national level to elaborate the concept note and identify strategic sectors.

5.2 Provide the UNECE with relevant policy documents, including development strategies and legislation, as well as previous relevant studies so as to avoid the duplication of work.

5.3 Based on the above, prepare a detailed concept note and submit for the consideration of the SPECA countries and the Governing body.

5.4 Preparation of the project document by the secretariat.

5.5 In tandem, UNECE will prepare the survey-based evaluation methodology and pilot test of the questionnaires worki.ng closely with the focal points.

5.6 Start fund-raising. Once funds. become available, recruit national consultants to undertake the face-to-face interviews with stakeholders and enterprises;

5.7 Using the results of the surveys, the UNECE will draft the report and proposed recommendations for discussion with the relevant State agencies and private sector representatives during a stakeholder meeting;

5.8 Drawing on the outcome of the stakeholder meeting, UNECE will prepare the final study and recommendations for publication in English and Russian.

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1. To date, the UNECE has conducted studies on Kazakhstan, Kyrgyzstan and Tajikistan. [↑](#footnote-ref-1)